

31 January 1957

MEMORANDUM FOR THE DIRECTOR:

SUBJECT: Public Disclosures and Controversy on Alleged U. S. Activities Behind the Hungarian Uprising of October 22-23, 1956

1. This memorandum is for information only.
2. Over the past three months, in the course of the extensive public discussion (both in the U. S. and abroad) on the Hungarian situation in general, this office has noted some 350 newspaper, magazine, and broadcast comments (attached herewith, in three volumes) which pertain to three issues, in particular, questioning whether U. S. intelligence, informational, and security agencies had participated officially or unofficially in the outbreak of the original revolt of October 22-23, 1956. These three issues are as follows:
 - a. Was U. S. Intelligence caught by "surprise" at the revolt?
 - b. Did Radio Free Europe, through its broadcasts and balloon-leaflet campaigns or otherwise, "incite" or otherwise contribute to the original uprising, and what (if any) are its relationships to the U. S. Government?
 - c. Did the United States, by means of other official or unofficial measures, overtly or covertly assist in provoking the Hungarian uprising or encourage its underground before October 23?

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3. On the question of alleged "intelligence failure," there have been some twenty-three comments in the domestic press, twenty-one of which mention CIA specifically while others refer to U. S. Intelligence in general or to departmental intelligence agencies in particular. Only four comments assert or imply that CIA was surprised, while the rest suggest that CIA was quite aware of the developing situation but could not predict precisely the exact nature, locale, or date of the revolt. Communist propaganda media have ignored, apparently completely, these domestic criticisms of CIA, but they have attempted to exploit the DCI's defense of CIA (at the Senate Foreign Relations Committee, November 12), citing it as "significant" proof that CIA and the U. S. Government generally were "behind" the revolt. (See especially Pravda, Nov. 13 and 27, and Kadar's speech, Nov. 27.)

4. During the first three weeks of the revolt (Oct. 22 to Nov. 13), American press reports consistently suggested that the U. S. Government, and the State Department in particular, were surprised at the revolt. (See James Reston, New York Times, Oct. 24; Ed Kotarba, Gannett News Service, Nov. 9, and AP from Paris, Nov. 19.) No references to CIA appeared until November 6, when the Houston Chronicle asserted that CIA was "caught flatfooted" both on the original revolt and on the Soviet counter-attack. Similar charges were made later, by Senator Mansfield, on November 12, and by a Washington Daily News editorial, on November 13.

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5. The DCI replied to Senator Mansfield's charge of "intelligence failure" on November 12, at the Senate Foreign Relations Committee. He was said to have "categorically denied" that the Government was surprised (see N. Y. Herald Tribune, Nov. 13); but according to a later, fuller version (reported by R. S. Allen, November 18) he explained that "it is difficult to forecast exact timing." In two subsequent public appearances, the DCI alluded indirectly to this issue, and seemed to imply that U. S. intelligence may have been surprised at the extent of the revolt. On November 14, speaking before a group of educators, the DCI said that the revolt was "a miracle" which "pessimists had always predicted was impossible." Similarly, in a second address (at Yale, November 27), he said that the revolt "tended to disprove the theory, so long held, that revolt against a tyranny equipped with the modern weapons of war was foredoomed to failure." While these quotations appeared as news reports, no editorials on their possible intelligence implications have been seen.

6. Since November 13, there have been only five further comments on CIA's alleged "surprise," and none of them has been hostile in tone. CIA's "listening posts" in Vienna and Budapest "drew a blank," said Royce Brier (San Francisco Chronicle, Nov. 21), but he concluded that the U. S. military intelligence agencies, "jealous of CIA," looked "no better." Three other columnists, much alike in their balanced approach (Richard Wilson, Minneapolis Tribune, Nov. 21;

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F. W. Collins, Providence Journal-Bulletin, Nov. 21; and Robert Roth, Philadelphia Bulletin, Nov. 25), all said that CIA did give advance warnings of unrest but could not fix a precise date. An "MEA" editorial, syndicated in at least twelve local newspapers from November 23 to 28, defended CIA for not predicting the "unpredictable explosion"--one which was a "spontaneous conflagration which neither the Hungarians themselves nor the USSR anticipated." Since November 28 there have been no press comments whatsoever on the "intelligence failure" issue, nor has any other Congressman spoken out on the matter since Senator Mansfield's accusation of November 12.

7. The relationships of RFE's radio broadcasts and ^lballoon leaflet campaigns to the uprising of October 22-23 have been discussed on more than fifty occasions in the American press, and about eighty times in Communist propaganda media (USSR and non-Soviet combined), up to mid-December 1956. During the first twelve days of the revolt (until the Soviet counter-attack on November 4), American press opinion was entirely friendly and congratulatory ~~on~~ RFE's part in the uprising. (See Ed Sullivan, N. Y. Daily News, Oct. 29; C. L. Sulzberger, N. Y. Times, Nov. 3; and Life magazine, Nov. 5.) Later, however, American opinion has been divided, as the rebels' situation worsened and as the U. S. policy of non-intervention became clear. While most comments have continued to give a measure of credit to RFE for having kept alive the hope of ultimate freedom, most of them have expressed misgivings and criticisms of RFE operations on one

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point or another, for example: for being too ineffective or overly effective as a propaganda weapon; for being too aggressively anti-Communist or too moderate toward the Communist regime (Wall Street Journal, Nov. 30); and for being too much in step or too much out of gear with U. S. policies toward Hungary and the Satellites generally (Marquis Childs, Washington Post, Dec. 5; Edmond Taylor, Reporter, Dec. 27). In addition, other questions have persisted in the domestic press: whether any RFE broadcasts actually promised U. S. military aid (AP, Nov. 19; Paul Wohl, Christian Science Monitor, Nov. 15; and RFE statements, Jan. 23); whether the rebels were confused by faked "RFE" broadcasts or by other non-RFE broadcasts (RFE statement, Nov. 30; Washington Post, Dec. 17); whether RFE should have been more closely coordinated with official U. S. informational agencies and, in turn, with U. S. policy objectives; and whether RFE had become a "scapegoat" in the Eastern European situation generally.

8. RFE itself at first officially claimed partial credit as "a contributory factor" in the Hungarian uprising (N. Y. Herald Tribune, Oct. 30), but later withdrew the claim (Washington Daily News, Nov. 14), except to reiterate, then and on subsequent occasions, that its purpose was simply to keep alive the spark of freedom. RFE also denied, Nov. 14, that it had promised U. S. military aid, explaining that the broadcasts in question (about which a number of Hungarian freedom fighters and exiles had complained) came either from Communist-faked "RFE" transmitters or from a Russian-emigre station in West Germany (Washington

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Daily News, Nov. 14). In support of these denials, RFE has made available transcripts and recordings of its broadcasts to journalists and to the West German government, and none of the resultant studies have revealed any direct promises of aid. On January 23, 1957, RFE's director announced his willingness to subject RFE to official investigation either by the UN or by the U. S. Congress, and acknowledged that RFE had made two "mistakes" on Hungary: a tone of "excitement and urgency" in its broadcasts; and its failure to qualify President Eisenhower's assurances to the Hungarian freedom fighters, to limit them to "moral support."

9. RFE's unofficial status has been emphasized and reiterated in most of the fifty domestic press comments seen, with only four exceptions. Douglas Larson (N. Y. World Telegram, Nov. 20) asserted that RFE had "close, confidential liaison with various intelligence branches of the U. S. Government," and that it was partially subsidized by the Government. Marquis Childs (Washington Post, Dec. 5) also said that RFE was so subsidized. Later, Senator Humphrey, probably referring to RFE, urged an investigation to determine whether the Government was subsidizing "private" propaganda agencies which, he said, stirred "false hopes of U. S. aid" to Hungarian rebels. (AP, Dec. 9). On December 15, the National Review, called for a Congressional investigation to see whether RFE is Government-financed or "a stalking-horse for the more adventurous ideas of the CIA." In contrast with these relatively few comments, there have been many Communist propaganda

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attacks (eighty in all) in which RFE has been identified directly as an arm of the U. S. Government, and (in several cases) an arm of CIA in particular; but as far as it is known, in only one single case (the National Review, above) has this alleged association with CIA been noted, editorially, in the American press.

10. The third and broader question, whether the United States had, by word or deed, directly or indirectly contributed to the outbreak of the revolt, has been both widely debated in the domestic press (see vol. 1 of the clippings) and intensively exploited in the Communist propaganda media abroad (see vols. 2 and 3), the latter attacks culminating in a UN action, on December 14, to investigate whether the U. S. had interfered in the internal affairs of Hungary. In the domestic controversy, CIA has evidently not been mentioned a single time, as an alleged factor behind the revolt, while in the Communist radio and press media (both in the USSR and among the national Communist parties), CIA has been repeatedly attacked as a prime mover in planning, training, and directing the Hungarian underground before and during the revolt, along with RFE, VOA, and a variety of other overt and covert measures financed and supported by Congressional legislation.

11. The domestic comments on the origin of the Hungarian revolt, extending to some sixty press clippings (in vol. 1 of the attached compilation), for the most part assert, imply, or take for granted that the revolt was spontaneous and that at the same time,

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U. S. policies toward Hungary and the other Satellites did encourage the hope of ultimate freedom. In general, the comments are less concerned with documenting these historical points than with debating the wisdom of U. S. having encouraged, however directly or indirectly, a revolt that got "out of hand" after the Russian occupation of November 4. (See summary by Chalmers Roberts, Reporter, Nov. 29.) In what is frequently called this "agonizing reappraisal" of America's anti-Communist position in November and December, both official and unofficial opinion has been divided; opinion has shifted as the early success of the revolt was followed by Soviet occupation and counter-attack; and opinion has revealed disagreements (frequently cutting across party lines) as the nature, extent, and effectiveness of U. S. responsibilities for leadership in Eastern Europe and among the "uncommitted" countries generally.

12. Among U. S. official public statements, for example, administration spokesmen at first praised the revolt as a "victory" for U. S. foreign policies (Vice-President Nixon, Oct. 29, and Congressman Hillings of the "Republican Truth Squad," quoted later in N. Y. Post, Nov. 1, and N. Y. Daily News, Nov. 28), while others disassociated the U. S. from the Hungarian underground, in particular. Secretary Dulles, for example, replying to a Soviet accusation on October 28, said it was "tommyrot" that the U. S. had used "funds and agents" in Hungary; Secretary Wilson said, categorically, that the U. S. has "no agents to my knowledge" in Hungary (TV interview,

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Oct. 28); and Ambassador Lodge called the accusation "absurd" (Oct. 28, at the UN). On October 31 President Eisenhower (in his TV address) "rejoiced" that "a new Hungary is arising," and said that it was "consistent," bi-partisan U. S. policy, since 1945, to "seek to end" Soviet-dominated governments, "not . . . by resort to force" but by helping "to keep alive the hope of these people for freedom." At a later press conference (Nov. 18), the President said that the U. S. "doesn't now, and never has, advocated open rebellion by an undefended populace against force over which they could not possibly prevail." On November 19, Lodge, again rejecting the Soviet charge of "subversion," said that "on the highest authority--and this has been gone into very thoroughly--no one has ever been incited to rebellion by the U. S. in anyway--by radio broadcast or in any other way." On December 14, when the UN agreed to investigate the USSR accusation of US interference in Hungary's internal affairs, Lodge announced that he "welcomed" such an investigation.

13. While CIA has so far not been drawn into the domestic phase of this controversy, to the extent of not a single press comment seen to date, it has meanwhile figured prominently in some fifteen propaganda attacks by the Moscow-controlled radio and press media, from October 28 to mid-December, and in some twenty-five further attacks in the Communist press outside the Soviet Union. (These references are variously to "CIA," its director by name, "American intelligence," "American secret service," "Project X," etc.) CIA

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has also been mentioned in the UN General Assembly debate on the Soviet charge, chiefly in a detailed recital by Shepilov, on November 19, and in similar, briefer statements by Satellite delegates at the UN.

14. The propaganda line of the USSR, since October 28, has been, in general, that the embattled Hungarian peasants and workers, willing to fight to defend their hard-won socialist republic, found themselves powerless in the face of an attack planned in Washington, financed by the U. S. Congress, and led by former Hungarian-Fascist "Horthyite" officers who were aided by agents armed and trained by (and sometimes in) the U. S. Supporting this "subversion" were CIA and "Project X"; propaganda balloons, radio broadcasts, and clandestine intrigue by RFE; secret headquarters maintained by the U. S. in Europe; supplies sent in, via Austria, under the cover of Red Cross vehicles; and contacts with refugees brought out of Hungary. (See volume 2 of the attached clippings.)

15. The Satellite Communist press has generally echoed the Moscow line, especially in East Germany, Czechoslovakia, Bulgaria, Albania, and Hungary, while the Yugoslavs and Poles reflected their somewhat peculiar position with respect to the Hungarian affair. Communist China has said relatively little about the "subversion" charge against the U. S., and spoke frequently of "mistakes" made by the previous Communist regime in Hungary. In the Western countries, the Italian Communists have followed the Moscow line, but there had been little or no comment on alleged U. S. complicity by the Communists

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in other Western European countries, up to mid-December. The Communist Party in the U. S. has frequently discussed the "subversion" charge and CIA's relationship to it, and has shifted its position several times. (See volume 3 of the attached clippings.)

16. The texts of the 300-some comments, in press clipping form, are attached herewith in three volumes (each chronologically arranged for convenience of reference): Volume 1, U. S. official and unofficial comment, October-December 1956; volume 2, Soviet propaganda items, from press and radio media, October-December 1956; and volume 3, Communist propaganda items from other countries, including the Satellites and the U. S. Communist Party, October-December 1956. A few relevant items of earlier and later date are also included. While most of these clippings deal directly (and somewhat interchangeably) with the three issues outlined in paragraph 2 above, a few are also included on certain secondary issues that have been raised in the domestic and foreign press, in which U. S. intelligence, informational, and security agencies are alleged to be involved.

These related matters illustrate, for example, the following matters:

- a. battle news and "combat intelligence" on the unfolding of the revolt in its later stages (U. S. News and World Report, Nov. 30);
- b. the nature of RFE (and VOA) broadcasts and broadcast policies, later in the revolt; (Time, Nov. 26; AP, from Bonn, Nov. 19);
- c. U. S. intelligence warnings at the unfolding of the Soviet counter-attack beginning November 4 (Houston Chronicle, Nov. 6);

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d. contacts with Hungarian rebels pleading for U. S. help, once the uprising was underway, and occasional public support for military aid to them (for example, by General Donovan, ex-OSS chief, INS, Boston Globe, Nov. 22);

e. intelligence exploitation of Hungarian refugees who have fled since the Soviet counter-attacks began; and

f. security problems of the U. S. and other Western nations in handling such refugees.

17. In summary, there has been far more public discussion and controversy on the Hungarian policies of the U. S. Government as a whole than specifically on CIA's alleged participation in the revolt, except for the Communist press (here and abroad) which has repeatedly tied CIA directly to U. S. policies and operations. Judged according to public-relations standards prevailing in other less sensitive agencies, CIA has had a relatively "good press," domestically, on Hungary; a somewhat better press than it had on the concurrently developing situation in the Middle East; and a far better press than that enjoyed by the Government's policy and operating departments in either area. Judged, however, according to the security principles underlying NSCID #12, not even the several items of so-called favorable publicity about CIA can be said to have been really "good," in relation to CIA's fundamental obligation to safeguard its sensitive intelligence and operational missions and assets from penetration, disclosure, and compromise.

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